

CENTRAL MINNESOTA ECONOMIC DEVELOPMENT REGIONS 6E, 7E, and 7W

Covering the following counties:

Benton, Chisago, Isanti, Kanabec, Kandiyohi,
McLeod, Meeker, Mille Lacs, Pine, Renville,
Sherburne, Stearns, and Wright

2015 REGIONAL PROFILE

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DEMOGRAPHICS

POPULATION CHANGE, 2000-2014

The Central Minnesota planning region includes a total of 13 counties, covering three separate Economic Development Regions (EDRs) and two Workforce Development Boards (WDBs). Central Minnesota was home to 693,108 people in 2014, comprising 12.7 percent of the state's total population. The region welcomed a huge 20.8 percent increase in population over the past 14 years, primarily due to larger gains in EDR 7W and EDR 7E. In comparison, the state of Minnesota saw a 10.9 percent gain (see Table 1).

	2000 Population	2014 Estimates	2000-2014 Change	
			Number	Percent
Central Minnesota	573,938	693,108	+119,170	+20.8%
Region 6E	115,899	116,229	+400	+0.3%
Region 7W	321,795	413,462	+91,667	+28.5%
Region 7E	136,244	163,347	+27,103	+19.9%
State of Minnesota	4,919,479	5,457,173	+537,694	+10.9%

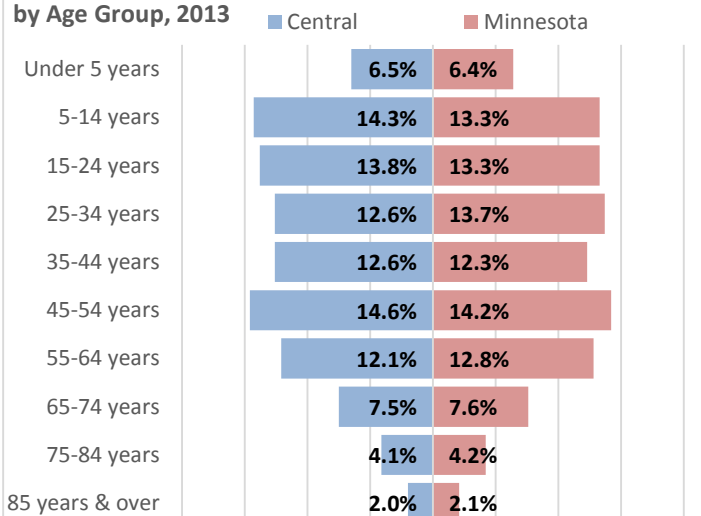
Source: [U.S. Census Bureau, Population Estimates](#)

Of the 13 counties in the region, only Renville County lost population from 2000 to 2014, with the other 12 seeing increases – including Wright and Sherburne, which were the 2nd and 3rd fastest growing counties in the state, respectively. The largest counties in the region are Stearns and Wright, both located in EDR 7W. With 152,912 people, Stearns is the 7th largest county out of 87 in the state, and Wright was 10th with 129,918 people. Other large counties in the region include Sherburne with 91,126 people, Chisago with 54,025 people, Kandiyohi with 42,285 people, Benton with 39,506 people, and Isanti with 38,413 people.

POPULATION BY AGE GROUP, 2000-2013

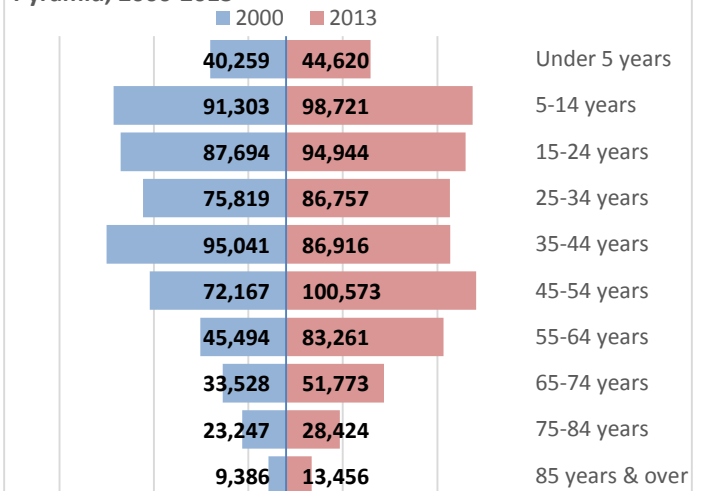
Central Minnesota has a slightly younger population than the rest of the state, with 13.6 percent of the population aged 65 years and over, compared to 13.9 percent statewide. Central Minnesota does have a lower percentage of people in the 25 to 34 year old age group, but a larger share of the 5 to 14 year age group as well as a larger percentage of youth aged 15 to 24 years. Much of this dynamic can be attributed to a healthy amount of higher education institutions combined with younger working professionals living in collar counties and commuting into the Twin Cities in EDR 7E and 7W. More than one-fifth of the region's population was a part of the Baby Boom generation. The only age group to experience a decline in the last 14 years was the 35 to 44 year age group, right in the middle of “prime working” age and a direct result of the void Baby Boomers are leaving behind (see Figure 1 and Figure 2).

Figure 1. Percentage of Population by Age Group, 2013



Source: U.S. Census Bureau, American Community Survey

Figure 2. Central Minnesota Population Pyramid, 2000-2013

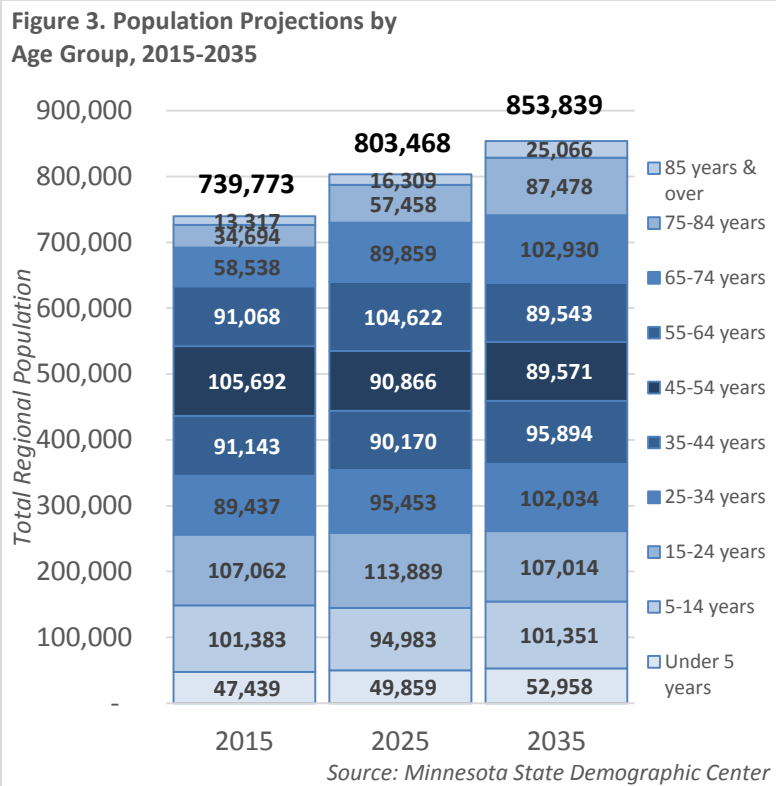


Source: U.S. Census Bureau, American Community Survey

POPULATION PROJECTIONS BY AGE GROUP, 2015-2035

Following several decades of population increases in EDR 6E, EDR 7E, and EDR 7W, the entire region is projected to continue population growth in the next 20 years. According to population projections from the [Minnesota State Demographic Center](#), though the initial 2015 projection is higher than 2014 estimates, Central Minnesota is expected to gain nearly 114,000 net new residents from 2015 to 2035, a 15.4 percent increase (see Figure 3). In comparison, the state of Minnesota is projected to grow 10.8 percent.

However, much of this population growth is expected to be in the older age groups. Central Minnesota is projected to add nearly 108,925 people aged 65 years and over, a 102 percent increase. The region is also expected to gain people in the 25 to 44 year old age group, as well as a corresponding increase in children under 5 years of age. In contrast, Central Minnesota is expected to lose school-aged children and young adults from 5 to 24 years of age, as well as people from 45 to 64 years of age – as the Baby Boom generation moves through the population pyramid.



POPULATION BY RACE, 2013

Central Minnesota's population is less diverse than the state's, but is becoming more diverse over time. In 2013, 94 percent of the region's residents reported White alone as their race, compared to 85.6% of residents statewide. The region had much smaller percentages of Black or African American residents, American Indian and Alaska Natives, Asian or Other Pacific Islanders, and people of two or more races. At 3.1 percent, Central Minnesota also had a lower percentage of people reporting Hispanic or Latino origin than the state, and a smaller percentage of people of some other race (see Table 2).

Mille Lacs County had the most diverse populace in the region, including 6.9 percent of residents reporting American Indian as their race. Stearns County also had a diverse population, with 4 percent reporting as Black or African American. Kandiyohi, Renville, and McLeod had the highest percentage of Hispanic or Latino residents.

Table 2. Race and Hispanic Origin, 2013	Central Minnesota			Minnesota	
	Number	Percent	Change from 2000-2013	Percent	Change from 2000-2013
Total	685,649	100.0%	+19.5%	100.0%	+8.7%
White	644,201	94.0%	+16.5%	85.6%	+4.0%
Black or African American	11,993	1.7%	+272.8%	5.2%	+63.0%
American Indian & Alaska Native	5,037	0.7%	+38.2%	1.1%	+4.6%
Asian & Other Pac. Islander	7,516	1.1%	+66.6%	4.2%	+56.9%
Some Other Race	6,392	0.9%	+32.5%	1.4%	+17.4%
Two or More Races	10,510	1.5%	+117.7%	2.5%	+59.6%
Hispanic or Latino	21,892	3.1%	+90.5%	4.8%	+79.3%

Source: [U.S. Census Bureau, American Community Survey](#)

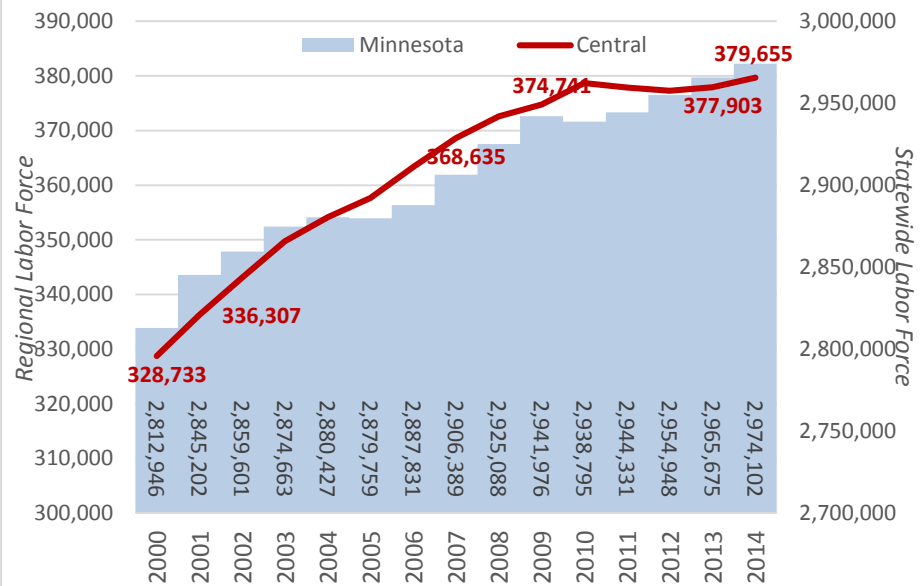
LABOR FORCE

LABOR FORCE CHANGE, 2000-2014

According to data from DEED's [Local Area Unemployment Statistics](#) program, Central Minnesota has experienced rapid growth in the size of the available labor force over the last 14 years, but has slowed in recent years due to changing economic conditions. The region's labor force continued growing even during the recessions in 2001 and 2007, with the region seeing the first drop in labor force between 2010 to 2011, before rising again in 2014 as the region's economy improved (see Figure 4).

In line with the region's overall population increase, Central Minnesota gained about 50,922 workers over the last 14 years, from 328,733 available workers in 2000 to 379,655 workers in 2014. The Central planning region's labor force growth is in line with the state, as Minnesota also gained workers steadily over the past decade and a half. As the economy has recovered, the labor market in the region has been getting tighter, with only about 15,000 unemployed workers that were actively seeking work in 2014.

Figure 4. Annual Labor Force Estimates, 2000-2014



Source: DEED Local Area Unemployment Statistics (LAUS)

LABOR FORCE PROJECTIONS, 2015-2025

Though the 2015 population projections are starting out too high, if Central Minnesota's population changes at the projected rates shown in Figure 3 above, the region would be expected to see a continued increase in the labor force over the next decade as well. Applying current labor force participation rates to future population projections by age group creates labor force projections for the region, which show a rapid on-going increase in workforce numbers.

Table 3. Central Minnesota Labor Force Projections

	2015 Labor Force Projection	2025 Labor Force Projection	2015-2025 Change	
			Numeric	Percent
16 to 19 years	25,926	25,527	-399	-1.5%
20 to 24 years	40,231	46,662	+6,431	+16.0%
25 to 44 years	159,633	164,091	+4,458	+2.8%
45 to 54 years	93,115	80,053	-13,062	-14.0%
55 to 64 years	64,931	74,595	+9,664	+14.9%
65 to 74 years	14,869	22,824	+7,955	+53.5%
75 years & over	2,929	4,500	+1,571	+53.6%
Total Labor Force	401,632	418,252	+16,620	+4.1%

Source: [Minnesota State Demographic Center, 2009-2013 American Community Survey 5-Year Estimates](#)

In addition to the overall increase, the labor force will see a significant shift over time, with large gains in the number of workers aged 65 years and over against declines in the number of workers aged 45 to 54 years. However, the region is still expected to see gains in the number of entry-level workers and 20 to 44 year olds (see Table 3). Despite the workforce growth, the shift in aging will likely lead to a tight labor market in the future as well, with employers needing to respond to the changing labor force availability.

EMPLOYMENT CHARACTERISTICS, 2013

With 71.1 percent of the population aged 16 years and over in the labor force, Central Minnesota had slightly higher labor force participation rates than the state's 70.3 percent. However, the region actually had lower participation rates than the state in several age groups, but the overall rate was higher because a higher percentage of Central Minnesota's labor force was younger (see Table 4)

In contrast, the region had lower participation rates than the state for every race group except Asian or Other Pacific Islanders; and also had large unemployment rate disparities for minority groups similar to the state. Central Minnesota had over 22,400 veterans and more than 18,000 workers with disabilities in the labor force. Unemployment rates were highest for young people, minorities, workers with disabilities, and with lower educational attainment.

Table 4. Employment Characteristics, 2013

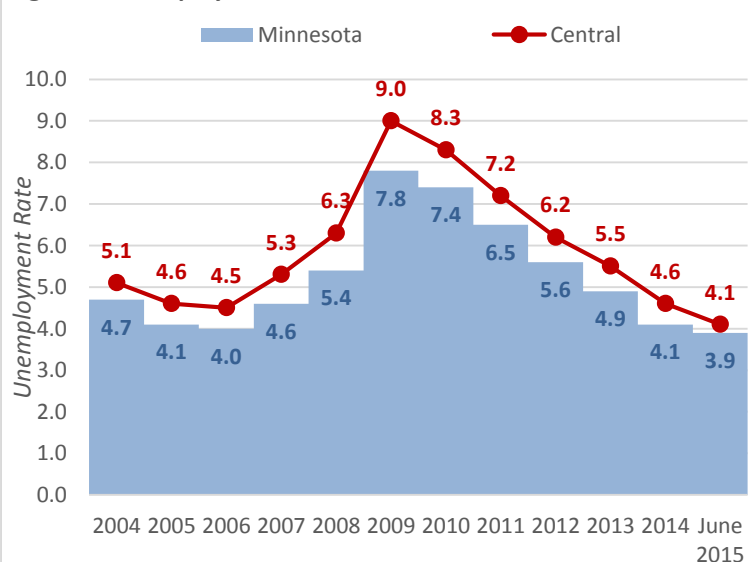
	Central Minnesota			Minnesota	
	Number	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
Total Labor Force	376,456	71.1%	7.3%	70.3%	7.1%
16 to 19 years	21,468	55.2%	17.5%	50.9%	20.2%
20 to 24 years	37,636	83.2%	10.2%	81.6%	11.2%
25 to 44 years	157,301	88.4%	6.9%	88.2%	6.3%
45 to 54 years	90,083	88.1%	5.8%	87.5%	5.6%
55 to 64 years	55,676	71.3%	5.7%	71.7%	5.5%
65 to 74 years	11,976	25.4%	5.2%	26.5%	4.5%
75 years & over	2,428	6.1%	6.9%	5.8%	4.6%
Employment Characteristics by Race & Hispanic Origin					
White alone	359,257	71.5%	7.0%	70.5%	6.3%
Black or African American	4,686	56.5%	23.4%	67.6%	17.5%
American Indian & Alaska Native	1,888	51.4%	18.3%	60.1%	18.8%
Asian or Other Pac. Islanders	4,318	73.6%	10.8%	69.8%	8.5%
Some Other Race	3,015	73.0%	11.5%	77.6%	10.9%
Two or More Races	3,346	69.1%	10.8%	69.0%	14.4%
Hispanic or Latino	9,414	71.0%	12.7%	75.1%	10.4%
Employment Characteristics by Veteran Status					
Veterans, 18 to 64 years	22,437	78.0%	8.6%	77.8%	7.7%
Employment Characteristics by Disability					
With Any Disability	18,096	53.4%	13.0%	51.6%	14.6%
Employment Characteristics by Educational Attainment					
Population, 25 to 64 years	302,997	84.6%	6.4%	84.2%	5.9%
Less than H.S. Diploma	15,477	72.0%	15.7%	66.9%	14.6%
H.S. Diploma or Equivalent	87,098	80.3%	8.2%	79.4%	8.0%
Some College or Assoc. Degree	125,591	86.7%	5.9%	85.6%	6.1%
Bachelor's Degree or Higher	74,865	89.8%	3.0%	89.1%	3.4%

Source: [2009-2013 American Community Survey, 5-Year Estimates](#)

UNEMPLOYMENT RATE, 2005-2015

Central Minnesota has consistently reported higher unemployment rates than Minnesota, regardless of the state of the economy. According to [Local Area Unemployment Statistics](#), the region's unemployment rate hovered at least a half percent above the state rate from 2005 to 2008, before rising as high as 9.0 percent in 2009, then dropping back to prerecession levels in 2014 and 2015 (see Figure 5). The highest rates of unemployment in Central Minnesota were consistently found in Kanabec, Mille Lacs, and Pine County, which are all located in Region 7E.

Figure 5. Unemployment Rates, 2005-2015



Source: DEED Local Area Unemployment Statistics (LAUS)

COMMUTE SHED AND LABOR SHED, 2013

According to commuting data from the U.S. Census Bureau, Central Minnesota has the most mobile workers in the state. Over 40 percent of the region's working residents drive outside the region for work, primarily to the Twin Cities metro area. Central Minnesota is a net exporter of labor, having more workers than available jobs. In sum, 198,956 workers both lived and worked in Central Minnesota in 2013, while 139,696 workers who lived in the region drove to surrounding counties for work (see Table 5 and Figure 6). In comparison, another 57,212 workers drove into the region for work, giving the region a net outflow of over 82,000 workers.

Stearns County is the largest employment center in the region, although more workers actually worked outside of the region in Hennepin County as employers in the region both lose and draw workers from the Twin Cities metro area. Other counties drawing large amounts of workers include Wright, Sherburne, and Kandiyohi County (see Table 6 and Figure 6).

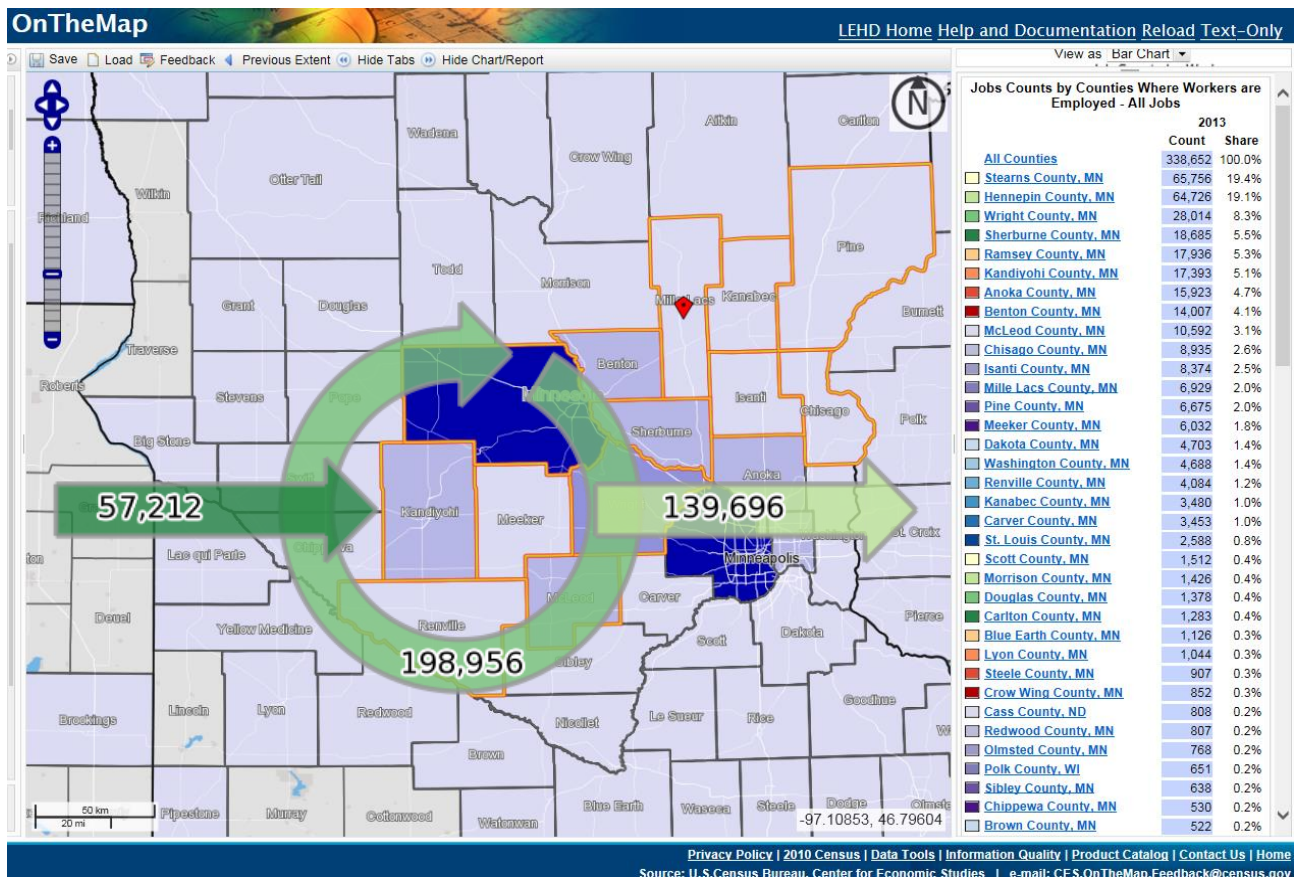
Table 5. Central Minnesota Inflow/Outflow Job Counts (All Jobs), 2013	2013	
	Count	Share
Employed in the Selection Area	256,168	100.0%
Employed in the Selection Area but Living Outside	57,212	22.3%
Employed and Living in the Selection Area	198,956	77.7%
Living in the Selection Area	338,652	100.0%
Living in the Selection Area but Employed Outside	139,696	41.3%
Living and Employed in the Selection Area	198,956	58.7%

Source: [U.S. Census Bureau, OnTheMap](#)

Table 6. Central Commuting Data	
Counties outside the region that send the most workers into the region	Counties outside the region that the most workers from inside the region travel to
Hennepin Co. MN	Hennepin Co. MN
Anoka Co. MN	Ramsey Co. MN
Morrison Co. MN	Anoka Co. MN
Sibley Co. MN	Dakota Co. MN
Ramsey Co. MN	Washington Co. MN

Source: [U.S. Census Bureau, OnTheMap](#)

Figure 6. Central Minnesota Labor and Commute Shed, 2013



INCOMES, WAGES AND OCCUPATIONS

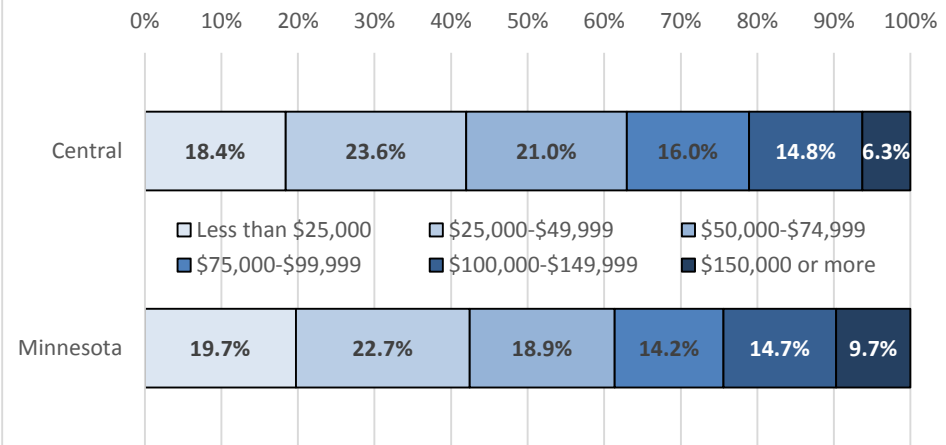
HOUSEHOLD INCOMES

Household incomes in Central Minnesota were similar to the rest of the state. Median household incomes ranged from \$43,928 in Pine County, which was the 7th lowest in the state, to \$73,098 in Sherburne County, which was the 5th highest.

About 42 percent of the households in the region had incomes below \$50,000 in 2013, the same as the state. About

37 percent of households earned between \$50,000 and \$100,000 in the region. In contrast, only 21 percent of households in Central Minnesota earned over \$100,000 per year, compared to nearly 25 percent of households statewide (see Figure 7).

Figure 7. Household Incomes, 2013

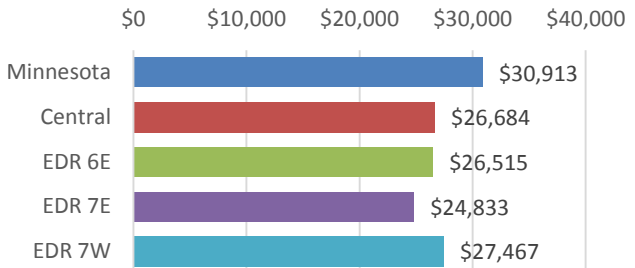


Source: U.S. Census Bureau, 2009-2013 American Community Survey 5-Year Estimates

PER CAPITA INCOMES

Per capita incomes were slightly lower in Central Minnesota than the state, at \$26,684 across the 13-county region, ranging from \$24,833 in EDR 7E to \$27,467 in EDR 7W, compared to \$30,913 in Minnesota (see Figure 8). The lowest per capita income in the region was found in Pine County at \$21,413, while the highest was in Wright County at \$29,623.

Figure 8. Per Capita Incomes, 2013



Source: American Community Survey

COST OF LIVING

According to DEED's [Cost of Living tool](#), the basic needs budget for an average Minnesota family (which consists of 2 adults and 1 child, with 1 full-time and 1 part-time worker) was \$50,988 in 2015. The cost of living for a similar family in Central Minnesota was \$49,884 – which was the second highest in the state, behind only the Twin Cities metro area. Because of all the commuting, the region has higher transportation costs than the state, and also had very similar housing costs (see Table 7).

In order to meet the basic cost of living for the region, the workers in the family scenario described would need to earn \$15.99 per hour.

Table 7. Family Yearly Cost, Worker Hourly Wage, and Family Monthly Costs, 2015

Region	Family Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
			Child Care	Food	Health Care	Housing	Transportation	Other	Taxes
Central	\$49,884	\$15.99	\$311	\$753	\$402	\$861	\$1,175	\$226	\$429
Minnesota	\$50,988	\$16.34	\$443	\$772	\$405	\$907	\$1,039	\$235	\$448

Source: [DEED Cost of Living tool](#)

WAGES AND OCCUPATIONS

According to DEED's [Occupational Employment Statistics](#) program, the median hourly wage for all occupations in Central Minnesota was \$16.66 in the first quarter of 2015, which was the 3rd highest wage level of the six planning regions in the state. Central Minnesota's median wage was about \$2.00 below the state's median hourly wage, equaling just under 90 percent of the statewide wage rate, and \$3.83 below the median hourly wage in the 7-County Twin Cities metro area, which would amount to nearly \$8,000 less per year for a full-time worker. EDR 7E and EDR 6E had nearly identical median wages, while EDR 7W was about 40 cents higher (see Table 8).

	Median Hourly Wage	Estimated Regional Employment
Northeast Minnesota	\$16.58	141,800
Northwest Minnesota	\$15.42	203,060
Twin Cities Metro Area	\$20.49	1,691,650
Southeast Minnesota	\$17.74	253,990
Southwest Minnesota	\$15.48	177,030
Central Minnesota	\$16.66	263,270
EDR 6E- Southwest Central	\$16.42	46,490
EDR 7W- Central	\$16.80	172,200
EDR 7E – East Central	\$16.43	44,580
State of Minnesota	\$18.65	2,730,020

Source: [DEED Occupational Employment Statistics](#)

Not surprisingly, the lowest-paying jobs are concentrated in food preparation and serving, personal care and service, sales and related, and building, grounds cleaning and maintenance jobs, which tend to have lower educational and training requirements. For the most part, the gap in pay between Central Minnesota and the state is also lower in these jobs. Wages are most competitive in protective services, building and grounds cleaning and food preparation and serving occupations (see Table 9).

	Central Minnesota				State of Minnesota		
	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment	Location Quotient	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment
Total, All Occupations	\$16.66	263,270	100.0%	1.0	\$18.65	2,730,020	100.0%
Office & Administrative Support	\$15.78	37,950	14.4%	1.0	\$17.27	409,100	15.0%
Production	\$16.02	31,390	11.9%	1.5	\$16.61	217,830	8.0%
Sales and Related	\$11.78	27,530	10.5%	1.1	\$13.24	270,540	9.9%
Education, Training, & Library	\$20.97	21,450	8.1%	1.4	\$22.72	156,090	5.7%
Healthcare Practitioners & Technical	\$30.40	15,910	6.0%	1.0	\$31.54	160,390	5.9%
Personal Care and Service	\$10.86	12,720	4.8%	1.1	\$11.11	120,000	4.4%
Management	\$38.85	11,980	4.6%	0.7	\$47.47	165,730	6.1%
Food Preparation & Serving Related	\$9.15	11,830	4.5%	0.5	\$9.21	228,640	8.4%
Installation, Maintenance, & Repair	\$20.53	11,520	4.4%	1.3	\$21.52	94,310	3.5%
Construction & Extraction	\$22.84	10,980	4.2%	1.2	\$24.88	91,240	3.3%
Healthcare Support	\$12.43	10,570	4.0%	1.2	\$13.63	89,360	3.3%
Business & Financial Operations	\$26.28	8,980	3.4%	0.6	\$30.37	159,970	5.9%
Building & Grounds Cleaning & Maint.	\$12.52	8,490	3.2%	1.1	\$12.03	81,560	3.0%
Community & Social Service	\$20.07	4,840	1.8%	1.0	\$20.51	49,210	1.8%
Architecture & Engineering	\$29.72	3,700	1.4%	0.8	\$34.76	50,980	1.9%
Computer & Mathematical	\$29.22	3,630	1.4%	0.4	\$37.96	91,560	3.4%
Arts, Design, Entertainment & Media	\$17.81	2,560	1.0%	0.7	\$21.82	36,430	1.3%
Life, Physical, & Social Science	\$28.63	1,380	0.5%	0.6	\$30.29	24,410	0.9%
Legal	\$25.19	960	0.4%	0.5	\$38.43	18,330	0.7%
Farming, Fishing, & Forestry	\$15.47	380	0.1%	1.1	\$14.41	3,570	0.1%
Protective Services	\$22.95	-	-	-	\$19.43	43,660	1.6%
Transportation & Material Moving	\$15.85	-	-	-	\$16.18	167,130	6.1%

Source: [DEED Occupational Employment Statistics, Qtr. 1 2015](#)

In contrast, the highest paying jobs are found in management, legal, architecture and engineering, computer, business and financial operations, healthcare practitioners, and life, physical, and social science occupations, which all need higher levels of education and experience, including many that require postsecondary training. The pay gaps between the region and state are much bigger in these occupations.

JOB VACANCY SURVEY

Employers reported 12,004 job vacancies in the second quarter of 2015, the highest number ever recorded and a 36 percent increase compared to 2014. Overall, almost 60 percent of the openings were part-time, and only one-fourth required postsecondary education. As such, the median hourly wage offer was \$11.39 (see Table 10).

Table 10. Central Minnesota Job Vacancy Survey Results, 2nd Qtr. 2015						
	Number of Total Vacancies	Percent Part-time	Requiring Post-Secondary Education	Requiring 1 or More Years of Experience	Requiring Certificate or License	Median Hourly Wage Offer
Total, All Occupations	12,004	58%	26%	29%	34%	\$11.39
Sales & Related	2,253	67%	8%	21%	11%	\$10.27
Food Preparation & Serving Related	2,096	86%	2%	8%	6%	\$8.17
Transportation & Material Moving	963	57%	1%	32%	74%	\$13.68
Office & Administrative Support	836	47%	15%	26%	18%	\$11.25
Personal Care & Service	801	83%	38%	37%	45%	\$9.40
Building & Grounds Cleaning & Maint.	735	65%	1%	9%	22%	\$9.98
Education, Training, & Library	650	36%	82%	47%	71%	\$18.21
Healthcare Practitioners & Technical	610	49%	89%	51%	92%	\$23.82
Installation, Maintenance, & Repair	605	20%	52%	58%	70%	\$15.95
Production	579	13%	18%	29%	4%	\$14.00
Healthcare Support	504	75%	62%	18%	73%	\$12.17
Protective Service	308	90%	3%	1%	57%	\$9.55
Construction & Extraction	265	16%	20%	58%	24%	\$17.28
Community & Social Service	139	26%	83%	58%	70%	\$15.21
Business & Financial Operations	133	21%	79%	67%	15%	\$21.71
Management	129	3%	87%	89%	43%	\$33.06
Computer & Mathematical	99	1%	92%	67%	6%	\$22.58
Arts, Design, Entertainment & Media	92	49%	33%	67%	40%	\$14.72
Architecture & Engineering	75	0%	68%	91%	38%	\$24.78
Life, Physical, & Social Science	57	34%	62%	99%	78%	\$10.99
Farming, Fishing, & Forestry	55	51%	2%	6%	4%	\$12.72
Legal	22	0%	100%	100%	9%	\$36.82

Source: [DEED Job Vacancy Survey, 2nd Qtr. 2015](#)

OCCUPATIONS IN DEMAND

According to DEED's [Occupations in Demand](#) tool, there are hundreds of occupations showing relatively high demand in the region, with training and education requirements ranging from short-term on-the-job training to postsecondary education to advanced degrees.

These occupations are spread across different sectors but are also concentrated in the region's major industries. For example, nursing assistants, computer support specialists, and heavy and tractor trailer truck drivers are among the top occupations in demand based on the consistent need for workers in these fields (see Table 11).

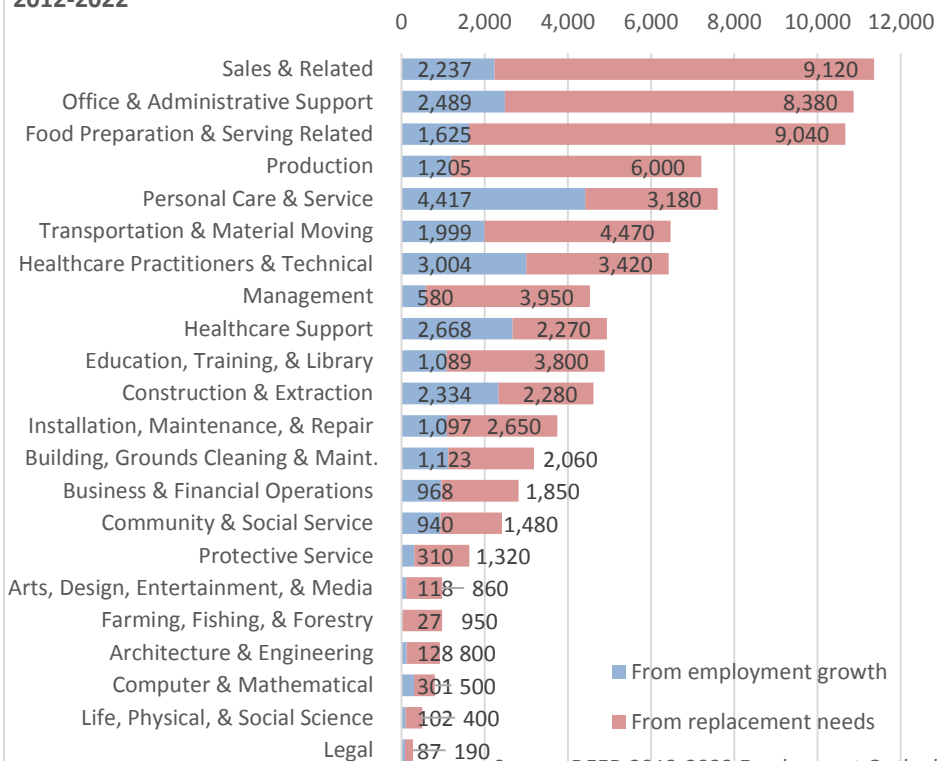
Table 11. Central Minnesota Occupations in Demand by Education Level, 2014			
Less than High School	High School or Equivalent	Some College or Assoc. Degree	Bachelor's Degree or Higher
Personal Care Aides (\$22,731)	Customer Service Reps. (\$30,014)	Nursing Assistants (\$26,293)	Training and Development Specialists (\$48,666)
Stock Clerks & Order Fillers (\$21,721)	Social & Human Service Assistants (\$30,459)	Heavy & Tractor-Trailer Truck Drivers (\$49,931)	Secondary School Teachers (\$56,970)
Slaughterers & Meat Packers (\$27,135)	Tellers (\$24,789)	Registered Nurses (\$73,330)	Family and General Practitioners (\$186,921)
Combined Food Preparation & Serving Workers (\$18,068)	Light Truck or Delivery Services Driver (\$28,420)	Licensed Practical & Licensed Vocational Nurses (\$39,488)	Physical Therapists (\$79,501)
Cashiers (\$19,484)	Carpenters (\$43,625)	First-Line Supervisors of Production Workers (\$54,026)	Industrial Engineers (\$77,707)
Packers & Packagers, Hand (\$19,241)	Maintenance & Repair Workers, General (\$40,383)	Computer Support Specialists (\$43,656)	Physicians & Surgeons, All Other (\$193,532)
Retail Salespersons (\$22,014)	Office Clerk, General (\$29,199)	Medical Assistants (\$33,220)	Nurse Practitioners (\$105,496)
Laborers & Freight, Stock, & Material Movers (\$24,418)	Bus/Truck Mechanics & Diesel Eng. Specialists (\$42,942)	Hairdressers, Hairstylists, & Cosmetologists (\$19,879)	Child, Family, and School Social Workers (\$53,496)
Home Health Aides (\$23,414)	Farm Equipment Mechanics & Service Technicians (\$39,592)	Surgical Technologists (\$47,952)	Accountants & Auditors (\$58,016)
Laundry & Dry-Cleaning Workers (\$24,386)	Welders, Cutters, Solderers, & Brazers (\$38,692)	Emergency Medical Techs & Paramedics (\$37,198)	Special Education Teachers, Middle School (\$55,937)

Source: [DEED Occupations in Demand](#)

EMPLOYMENT PROJECTIONS

Central Minnesota is projected to grow 9.8 percent from 2012 to 2022, making it the fastest growing planning region in the state, which is expected to expand by 7.0 percent overall. The region could gain about 28,848 new jobs, but will also need to fill 68,960 replacement openings for existing jobs left vacant by retirements and other career changers. In fact, the number of replacement openings is expected to dwarf the number of new jobs in every group except for personal care and service, construction, health care practitioner, and healthcare support occupations. Every occupational group is expected to see new growth, with the largest needs in sales, office and administrative support, and food prep and serving related (see Figure 9).

Figure 9. Central Minnesota Employment Projections, 2012-2022

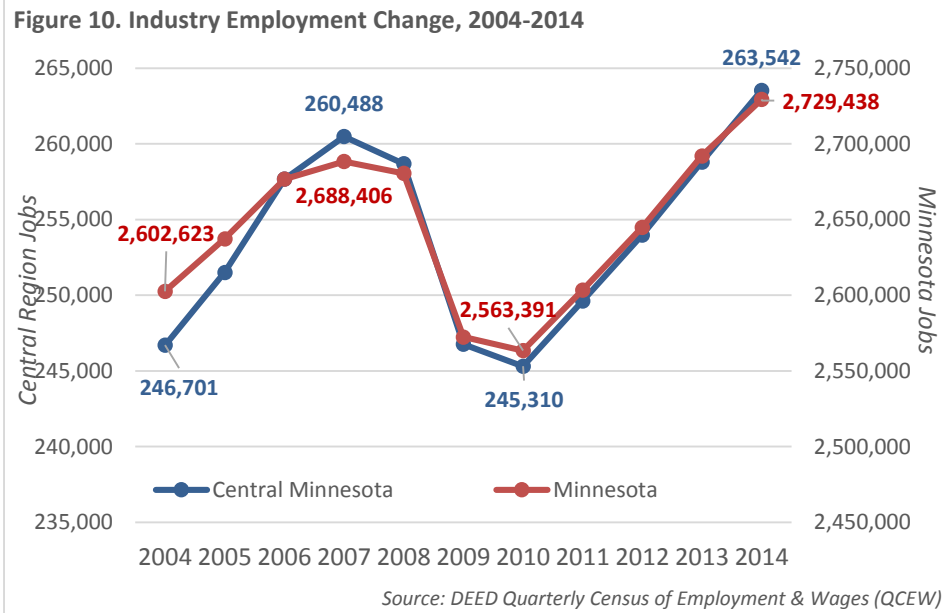


Source: DEED 2012-2022 Employment Outlook

ECONOMY

INDUSTRY EMPLOYMENT

Central Minnesota has seen employment ups and downs over the past decade, but ended 2014 with almost 17,000 more jobs than in 2004. The region entered the recession at the same time as the state in early 2008, suffering severe declines in 2009 and 2010. Since then, Central Minnesota has recovered faster than the state, which gained jobs at a 6.5 percent clip from 2010 to 2014, compared to a 7.4 percent increase in the region. Central Minnesota reached a prerecession peak of 260,488 jobs in 2007, then hit a low of 245,310 jobs in 2010, before recovering to 263,542 jobs in 2014 (see Figure 10).



According to DEED's [Quarterly Census of Employment & Wages \(QCEW\) program](#), Central Minnesota was home to 17,038 business establishments providing 263,541 covered jobs through 2014, with a total payroll of just over \$10 billion. That was 9.7 percent of total employment in the state of Minnesota. Average annual wages were \$38,055 in the region, which was \$14,500 lower than the state's average annual wage. Central Minnesota led the state in job growth during the recovery from 2010 to 2014, growing 7.4 percent in the past five years (see Table 12).

Geography	Number of Firms	Number of Jobs	Total Payroll	Average Annual Wage	2010-2014		2013-2014	
					Change in Jobs	Percent Change	Change in Jobs	Percent Change
Central Minnesota	17,038	263,541	\$10,028,941,719	\$38,055	+18,231	+7.4%	+4,739	+1.8%
Region 6E	3,487	52,299	\$1,939,218,681	\$37,079	+1,788	+3.5%	+475	+0.9%
Region 7W	10,060	164,696	\$6,519,289,820	\$39,584	+14,160	+9.4%	+3,991	+2.5%
Region 7E	3,491	46,546	\$1,570,433,218	\$33,739	+2,283	+5.2%	+273	+0.6%
Minnesota	164,409	2,729,438	\$140,857,248,755	\$51,584	+166,047	+6.5%	+37,321	+1.4%

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

With 164,696 jobs at 10,060 business establishments, EDR 7W accounts for about 70 percent of total employment in the Central Minnesota planning region. EDR 7W also accounted for 78 percent of the region's job growth during the recovery from 2010 to 2014, adding 14,160 net new jobs, a 9.4 percent increase. In contrast, EDR 7E had the smallest number of firms and jobs, with 46,546 jobs at 3,491 establishments, but saw an increase of 2,283 jobs in the past five years. EDR 6E had 3,487 business establishments providing 52,299 jobs, after gaining 1,788 net new jobs from 2010 to 2014, a 3.5 percent increase (see Table 12).

With 47,896 jobs at 1,439 firms, health care and social assistance is the largest employing industry in Central Minnesota, accounting for 18.2 percent of total jobs in the region. That is about 2 percent higher than the state's concentration of employment in health care. In addition, Central Minnesota is still adding health care and social assistance jobs, gaining 2,965 net new jobs over the past five years. At \$40,248 in 2014, average annual wages were \$2,236 higher in health care than the total of all industries.

The next largest industry in Central Minnesota was manufacturing, with 40,530 jobs at 1,168 firms. Adding nearly 5,000 jobs from 2010 to 2014, manufacturing has gained more jobs in the past five years than any other industry in the region. Central Minnesota has large concentrations of food manufacturing and fabricated metal product manufacturing, as well as significant amounts of machinery manufacturing and transportation equipment manufacturing.

Retail trade is the third largest industry, with 34,887 jobs at 2,324 establishments. However, wages are relatively low in retail trade. Accommodation and food services also provides over 20,000 jobs in the region, and also has low wages. Combined, those two sectors gained almost 4,500 net new jobs since 2010.

Other important industries in Central Minnesota include educational services, public administration, wholesale trade, construction, transportation and warehousing, finance and insurance, other services, and agriculture. Eighteen of the 20 main industries in the region added jobs since 2010, with utilities only down a single job during the period. However, 7 of the 20 industries lost jobs in the past year, as growth slowed across the region in 2013 and 2014. The largest job growth in the last year was in management of companies and construction industry, with the largest job growth experienced in manufacturing and health care and social assistance (see Table 13).

Table 13. Central Minnesota Industry Employment Statistics, 2014									
NAICS Industry Title	2014 Annual Data				Avg. Annual Wage	2010-2014		2013-2014	
	Number of Firms	Number of Jobs	Percent of Jobs	Total Payroll		Change in Jobs	Percent Change	Change in Jobs	Percent Change
Total, All Industries	17,038	263,542	100%	\$10,028,941,719	\$38,012	+18,232	+7.4%	+4,740	+1.8%
Health Care & Social Assistance	1,439	47,896	18.2%	\$1,929,321,087	\$40,248	+2,965	+6.6%	+1,266	+2.7%
Manufacturing	1,168	40,530	15.4%	\$1,939,587,603	\$47,840	+4,959	+13.9%	+1,298	+3.3%
Retail Trade	2,324	34,887	13.2%	\$839,582,477	\$24,024	+1,884	+5.7%	+415	+1.2%
Educational Services	321	23,334	8.9%	\$945,214,172	\$40,664	+756	+3.3%	+441	+1.9%
Accommodation & Food Services	1,200	21,920	8.3%	\$297,952,588	\$13,572	+2,599	+13.5%	+65	+0.3%
Construction	2,647	15,332	5.8%	\$815,187,888	\$52,832	+3,195	+26.3%	+1,100	+7.7%
Public Administration	449	12,478	4.7%	\$558,211,618	\$44,720	+270	+2.2%	+269	+2.2%
Admin. Support & Waste Mgmt.	754	9,939	3.8%	\$286,448,445	\$28,808	+1,154	+13.1%	-323	-3.1%
Wholesale Trade	692	9,577	3.6%	\$484,381,933	\$50,596	+838	+9.6%	+81	+0.9%
Transportation & Warehousing	823	9,030	3.4%	\$353,182,627	\$39,104	+653	+7.8%	+428	+5.0%
Other Services	1,676	7,863	3.0%	\$177,678,819	\$22,568	+304	+4.0%	+95	+1.2%
Finance & Insurance	821	6,586	2.5%	\$350,731,543	\$53,248	+4	+0.1%	-22	-0.3%
Professional & Technical Svcs.	1,061	5,490	2.1%	\$272,203,353	\$49,608	-42	-0.8%	-134	-2.4%
Arts, Entertainment & Recreation	336	4,682	1.8%	\$80,618,031	\$17,212	-1,298	-21.7%	-111	-2.3%
Agriculture, Forestry, Fish & Hunt	423	4,207	1.6%	\$134,716,167	\$32,032	+235	+5.9%	-85	-2.0%
Information	228	3,353	1.3%	\$145,550,628	\$43,368	N/A	N/A	-178	-5.0%
Utilities	59	2,595	1.0%	\$241,453,470	\$93,080	-1	-0.0%	-66	-2.5%
Real Estate, Rental & Leasing	532	2,077	0.8%	\$57,959,324	\$27,872	+74	+3.7%	+75	+3.7%
Management of Companies	58	1,488	0.6%	\$104,298,991	\$70,252	+54	+3.8%	+114	+8.3%
Mining	28	274	0.1%	\$14,660,955	\$51,844	+14	+5.4%	+12	+4.6%

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

DISTINGUISHING INDUSTRIES

Central Minnesota stands out in the state for its higher concentrations of employment in manufacturing and agriculture, but has a broader list of industry sectors that are more prevalent in the region than the state. Central Minnesota has 9.7 percent of total state employment, but has about 25 percent of the state's jobs in furniture and related product manufacturing – which includes kitchen cabinets; animal production and aquaculture, and transportation equipment manufacturing. The region also has strengths in electric power generation and transmission, and heavy and civil engineering construction (see Table 14).

NAICS Industry Title	NAICS Code	Number of Firms	Number of Jobs	Total Payroll	Avg. Annual Wages	Location Quotient
Total, All Industries	0	17,038	263,542	\$10,028,941,719	\$38,012	1.0
Furniture & Related Product Mfg.	337	108	2,577	\$112,177,414	\$43,524	2.9
Animal Production & Aquaculture	112	166	2,702	\$85,523,804	\$31,616	2.7
Transportation Equipment Mfg.	336	31	2,859	\$125,241,422	\$43,836	2.6
Beverage & Tobacco Product Mfg.	312	12	591	\$28,169,344	\$47,684	2.3
Paper Mfg.	322	11	2,048	\$129,556,940	\$63,232	2.3
Nonmetallic Mineral Product Mfg.	327	68	1,916	\$88,744,621	\$46,176	2.2
Electric Power Generation, Transmission & Dist.	2211	40	2,532	\$237,775,164	\$93,964	2.2
Heavy & Civil Engineering Construction	237	202	4,230	\$313,428,160	\$74,568	2.0
Textile Product Mills	314	25	445	\$15,496,290	\$34,840	1.9
Plastics & Rubber Products Mfg.	326	61	2,675	\$116,044,303	\$43,368	1.9

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

INDUSTRY PROJECTIONS

As noted above, Central Minnesota's economy is projected to grow 9.8 percent from 2012 to 2022, a gain of 28,848 new jobs.

The largest and fastest growing industry is expected to be health care and social assistance, which may account for over 40 percent of total projected growth in the region from 2012 to 2022. The region is also expected to see significant employment growth in construction, professional and technical services, administrative support and waste management services – which includes temporary staffing agencies, retail

trade, wholesale trade, and accommodation and food services. In contrast, the region is expected to see declines only in information (see Table 15).

Industry	Estimated Employment 2012	Projected Employment 2022	Percent Change 2012-2022	Numeric Change 2012-2022
Total, All Industries	294,407	323,255	+9.8%	+28,848
Health Care & Social Assistance	41,963	53,847	+28.3%	+11,884
Manufacturing	38,994	40,126	+2.9%	+1,132
Retail Trade	34,167	37,510	+9.8%	+3,343
Accommodation & Food Services	20,475	21,678	+5.9%	+1,203
Construction	13,987	16,879	+20.7%	+2,892
Other Services	12,001	12,809	+6.7%	+808
Admin. Support & Waste Mgmt.	10,500	12,219	+16.4%	+1,719
Wholesale Trade	10,123	10,801	+6.7%	+678
Transportation & Warehousing	7,851	8,710	+10.9%	+859
Finance & Insurance	7,036	7,731	+9.9%	+695
Professional & Technical Services	5,957	6,905	+15.9%	+948
Arts, Entertainment & Recreation	5,861	6,394	+9.1%	+533
Ag., Forestry, Fishing & Hunting	4,921	5,113	+3.9%	+192
Information	3,160	3,012	-4.7%	-148
Educational Services	2,629	2,865	+9.0%	+236
Utilities	2,446	2,455	+0.4%	+9
Real Estate, Rental & Leasing	2,028	2,247	+10.8%	+219
Management of Companies	1,387	1,458	+5.1%	+71
Mining	268	269	+0.4%	+1

Source: [DEED 2012-2022 Employment Outlook](#)

EMPLOYERS BY SIZE CLASS

The vast majority of businesses in Central Minnesota are small businesses, with 55.3 percent of businesses reporting 1 to 4 employees in 2013, according to County Business Patterns from the U.S. Census Bureau. Another 32.1 percent had between 5 and 19 employees; and 10.6 percent had between 20 and 99 employees. Only 1.8 percent had 100 to 499 employees, compared to 2.4 percent of businesses in the state. Just 33 businesses in the region had more than 500 employees, which is the Small Business Administration's official cut off for a "small business". Obviously then, small businesses are vital to the region's economy (see Table 16).

Table 16. Employers by Size Class, 2013			
	Central Minnesota		Minnesota
Number of Employees	Number of Firms	Percent of Firms	Percent of Firms
1-4	9,557	55.3%	54.2%
5-9	3,231	18.7%	17.7%
10-19	2,320	13.4%	13.4%
20-49	1,391	8.0%	8.9%
50-99	452	2.6%	3.2%
100-249	241	1.4%	1.9%
250-499	63	0.4%	0.5%
500-999	25	0.1%	0.2%
1,000 or more	8	0.05%	0.1%
Total Firms	17,288	100.0%	100.0%

Source: [U.S. Census, County Business Patterns](#)

NONEMPLOYER ESTABLISHMENTS

Before growing, the basic building block of most small businesses is a self-employed business. Central Minnesota was home to 47,954 self-employed businesses or "nonemployers" in 2013, which are defined by the U.S. Census Bureau as "businesses without paid employees that are subject to federal income tax, originating from tax return information of the Internal Revenue Service (IRS)." Much like covered employment, Central Minnesota has seen a substantial increase in nonemployers over the past decade. In sum, the region gained 3,209 new nonemployers from 2003 to 2013, an 11.5 percent increase. The largest amount of nonemployers and the fastest growth occurred in EDR 7W, though EDR 6E also saw increases in self-employment. In contrast, EDR 7E saw a decline in self-employment over the last decade. In sum, these nonemployers generated sales receipts of more than \$2 billion in 2013 (see Table 17).

Table 17. Nonemployer Statistics, 2013				
	2013		2003-2013	
	Number of Firms	Receipts (\$1,000s)	Change in Firms	Percent Change
Central Minnesota	47,954	\$2,074,071	+3,209	+11.5%
Region 6E	8,340	\$353,771	+282	+3.5%
Region 7W	28,667	\$1,275,523	+3,754	+15.1%
Region 7E	10,947	\$444,777	-827	-7.0%
State of Minnesota	388,900	\$17,268,230	+40,173	+11.5%

Source: [U.S. Census, Nonemployer Statistics program](#)

CENSUS OF AGRICULTURE

Finally, one of the most important industries in much of Central Minnesota is agriculture, with 14,786 farms producing nearly \$3.3 billion in the market value of products sold in 2012, according to the U.S. Department of Agriculture. Central Minnesota had 14.2 percent of the state's farms, and produced 15.5 percent of the state's total market value, led by Stearns County, the top county in the state for farm sales and Kandiyohi, which ranked 8th. Despite seeing a small decline in the number of farms, the region saw a 60 percent increase in the market value of products sold from 2007 to 2012, as many farms got bigger and commodity prices went up (see Table 18).

Table 18. Census of Agriculture, 2012			Change in
	Number of Farms	Market Value of Products Sold	Market Value, 2007-2012
Central Minnesota	14,786	\$3,291,985,000	+60.3%
Region 6E	3,612	\$1,732,006,000	+63.5%
Region 7W	6,377	\$1,292,036,000	+54.3%
Region 7E	3,925	\$267,943,000	+70.5%
State of Minnesota	74,542	\$21,280,184,000	+61.5%

Source: [2012 Census of Agriculture](#)